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A non-profit Association of Industrial, Commercial, Institutional and Governmental Large Energy Users

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Mary L. Cottrell
Secretary of the Department
Department of Public Utilities
One South Station, 2nd Floor
Boston, MA 02110

Sept. 5, 2008

Re: Reply Comments on Proposals to Increase Funding for Residential Efficiency Programs by The Energy Consortium, TEC

Dear Ms. Cottrell:

The Energy Consortium's is pleased to file reply comments supporting the Office of the Attorney General, filed on August 25, regarding the increase in funding for residential and low income energy efficiency program for the upcoming heating season.

TEC is a non-profit association of commercial, industrial, institutional and governmental large energy users in Massachusetts and has been concerned with energy regulatory matters for over 35 years. It advocates positions that promote fair cost-based energy rates, diversified supplies and reliable service for both its member organizations, their employees and all Massachusetts ratepayers. TEC is a participant on retail and wholesale electric regulatory matters and its members will be impacted by this Motion. TEC is one of the original members of the Non Utility Parties that has shepherded the State's Energy Efficiency Program since the implementation of Electric Restructuring.

Reading through the responses to the DPU investigation, TEC sees much variation, expansion, confusion and unnecessary complication that will delay the intent of the original request by DOER. The proposals should be simple, targeted and in conformance with the Departments directives as noted in the AGO's letter.

As an alternate to the AGO's recommended next steps and as I discussed during the 7/29 technical conference, TEC's recommendation is to simply advance current residential gas and electric heating contracts by paying the contractors overtime, or performance incentives to complete their projects as soon as possible. The cost to advance known projects will be minimal and will not diminish program effectiveness. I expect that the overruns, if any, will be adjusted in 2009. Also, there may be funds available due to 2008 project commitments that will not be finished this year; thus freeing up cash.

TEC strongly recommends that the DPU consider the AGO's comments and the TEC alternate proposal that allow residential and low income customers an opportunity to use energy more efficiently this winter.

Respectfully submitted,

Roger Borghesani, Chairman

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cc: Benjamin Spruill, Hearing Officer

Mary Cottrell, DPU, Original and 5 copies

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